BACKGROUUDER NO. 1-0100 FEBRUARY 3, 1976
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SOUTH VIETNAM: SHIFT IN COMMAND

ANNCR:

IN SOUTH VIETNAM, THE MILITARY GOVERNMENT THAT RULED SINCE THE COMMUUIST TAKEOVER HAS BEEN REPLACED BY A CIVILIAN REVOLUTIONARY COMMITTEE. VOA'S JOSEPH KUN LOOKS AT SOME OF THE PROBLEMS INHERITED BY THE NEW SAIGON ADMINISTRATION.

VOICE:

ON JANUARY TWENTY-FIRST, THE SAIGON PEOPLE'S REVOLUTIONARY COMMITTEE TOOK OVER THE REINS OF GOVERNMENT FROM THE ELEVEN-MEMBER MILITARY GROUP WHICH HAD MOVED INTO SAIGON LAST APRIL WITH THE COLLAPSE OF THE THIEU GOVERNMENT. THE NEW GOVERNMENT IS HEADED BY VO VAN KIET, WHO HAD SERVED AS DEPUTY CHAIRMAN OF THE FORMER MILITARY GOVERNMENT. OBSERVERS WERE QUICK TO SUGGEST THAT KIET'S TOP-RANKING POSITION IN THE CIVILIAN ADMINISTRATION INDICATES THAT THE NEW SAIGON LEADERSHIP MAY IN FACT BE ONLY AN EXTENSION OF THE MILITARY GROUP WHICH IT REPLACED.

WHATEVER THE CASE, NINE MONTHS AFTER THE COMMUNIST TAKEOVER, SAIGON IS STILL EXPERIENCING DIFFICULT TIMES. IT'S ESTIMATED THAT AT LEAST SEVENTY THOUSAND FAMILIES, COMPRISING SOME 360,000 PERSONS, HAVE BEEN MOVED OUT OF THE SOUTH VIETNAM CAPITAL. MOST OF THESE PEOPLE HAVE BEEN RESETTLED IN SO-CALLED "NEW ECONOMIC AREAS" IN THE COASTAL PROVINCES EAST OF SAIGON. THE FORMER CITY DWELLER HAVE TAKEN UP FARMING UNDER CONDITIONS WHICH EVEN SOUTH VIETNAMESE OFFICIALS DESCRIBE AS PRIMITIVE AND INADEQUATE.

BUT ACCORDING TO THE SAIGON PRESS, THE SOUTH VIETNAMESE PEOPLE ARE ADJUSTING WELL TO THE NEW ORDER. THE CHAIRMAN OF SAIGON'S FORMER MILITARY ADMINISTRATION CLAIMS THAT SINCE THE COMMUNIST TAKEOVER LAST APRIL OVER 3,500 INDUSTRIAL ESTABLISHMENTS EMPLOYING SOME 100,000 WORKERS HAVE RESUMED OPERATIONS. SAIGON AUTHORITIES HAVE ALSO INTRODUCED A VARIETY OF EMULATION CAMPAIGNS TO BOOST INDUSTRIAL PRODUCTION.

STILL, FROM ALL EVIDENCE, LIVING CONDITIONS IN SAIGON HAVE BECOME INCREASINGLY DIFFICULT. THE TRADE UNION PAPER, "LAO DONG MOA," HAS CALLED UPON THE SAIGON WORKING FORCE TO -- IN THE PAPER'S WORDS -- "VOLUNTARILY ACCEPT THE PRESENT PRIVATIONS FOR THE SAKE OF A GLORIOUS FUTURE." AT THE SAME TIME THE SAIGON PRESS IS GIVING HEAVY ATTENTION TO SOARING INFLATION.

THE GOVERNMENT DAILY, "GIAI PHONG," SAYS THAT SHARP PRICE INCREASES IN SAIGON HAVE GIVEN RISE TO SPECULATION AND RUMORS AMONG THE POPULATION. THE RUMORS, IT SAYS, CENTER ON THE POSSIBILITY THAT LARGE QUANTITIES OF PRODUCTS HAVE BEEN SHIPPED TO NORTH VIETNAM, THUS CAUSING SHORTAGES IN THE SOUTHERN PART OF THE COUNTRY.

THE UNITED STATES HAS COME IN FOR SOME OF THE BLAME FOR SOUTH VIETNAM'S ECONOMIC PROBLEMS. ACCORDING TO THE SAIGON PRESS, THE AMERICANS CREATED A BUSTLING ECONOMY AND A RELATIVE PROSPERITY THAT MADE THE PEOPLE ACCUSTOMED TO LIVING STANDARDS BEYOND THEIR MEANS. BUT MOST OF THE BLAME IS BEING PUT ON WHAT THE PRESS CALLS THE MACHINATIONS OF LOCAL "CLASS ENEMIES." THESE ARE THE SO-CALLED COMPRADOR BOURGEOISIE-- HOARDERS AND SPECULATORS -- WHO, IN THE WORDS

OF THE SAIGON PRESS, "CREATE FALSE SHORTAGES OF CERTAIN COMMODITIES AND LATER POUR THE SAME GOODS BACK INTO THE MARKET AT HIGHER PRICES."

THE MILITARY GOVERNMENT HAS TRIED TO STEP THE INFLATIONARY TIDE BY ORDERING A TWENTY-THREE PERCENT DEVALUATION OF THE NEW SOUTH VIETNAMESE CURRENCY, WHICH WAS ISSUED LAST SEPTEMBER. AND FROM ALL EVIDENCE THERE ARE GROWING PRESSURES TO SEND STILL MORE PEOPLE TO THE COUNTRYSIDE. THE QUESTION NOW IS WHETHER THE NEW CIVILIAN ADMINISTRATION IN SAIGON WILL BE ANY MORE SUCCESSFUL THAN WERE ITS MILITARY PREDECESSORS IN DEALING WITH THE CITY'S PROBLEMS.

JS/PBM